STOCKTON PORT DISTRICT

Board of Port Commissioners

September 16, 2024

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on August 19, 2024, at a TEMPORARY meeting place on the Port's West Complex in ROOM 165 located at 315 FYFFE AVENUE in Stockton, California.

COMMISSIONERS PRESENT:	David Atwater Anthony Barkett Michael Patrick Duffy Stephen Griffen, Vice Chairman * Allen Sawyer Margaret Shea Stephens William R. Trezza, Chairman
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	None
OTHERS PRESENT:	Kirk DeJesus, Port Director Katie Miller, Deputy Port Director Steve Herum, Port Counsel Melanie Rodriguez, Secretary to the Board

*Commissioner Sawyer arrived at 3:37 p.m. during Agenda Item #6.

A quorum being present, the meeting was called to order by Chairman William R. Trezza at 3:31 p.m. Chairman Trezza presided and Melanie Rodriguez, Secretary to the Board, acted as Secretary for the meeting.

CONSENT CALENDAR

In compliance with Port Policy Statement #003, the Consent Calendar items of business, having been provided to each member of the Board prior to this meeting, the

Commissioners present acted upon the following Consent Calendar items of business under one vote.

Chairman Trezza acknowledged that there were no requests to address the Commission.

Commissioner Duffy moved, to adopt the following resolutions:

MINUTES OF AUGUST 19, 2024 MEETING

Resolution #8525: RESOLVED, that the minutes of the REGULAR meeting of the Board of Commissioners of the Stockton Port District held on the 19th day of August 2024, as the same are endorsed on Page No. 075 to Page No. 086, inclusive, of Minutes Book No. 66, be and they are hereby approved.

AMENDMENT TO THE MINUTES OF THE JULY 15, 2024 COMMISSION MEETING

Minute Book No. 66, Page No. 64, Resolution #8509, Paragraph 1

RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to execute Amendment #1 to Master Professional Service Agreement (MPSA) 08132 with Dillion & Murphy Consulting Civil Engineers for Project Design Services for the Dock 5 – 6 Structural an Safety Repairs Project for an amount not-to-exceed ~~$900,000.00~~ **$90,000.00** (Ninety Thousand and no/100 Dollars); and

Resolution #8526: RESOLVED, that the minutes of the REGULAR meeting of the Board of Commissioners of the Stockton Port District held on the 15th day of July 2024, as the same are endorsed on Page No. 060 to Page No. 074, inclusive, of Minutes Book No. 66, be and they are hereby amended, as shown above.

CONSIDERATION AND POSSIBLE APPROVAL OF THE PROPOSED RENEWABLE ELECTRIC GENERATION SCHEDULES, AGREEMENTS AND STANDARDS / GUIDELINES FOR THE SAFE INTERCONNECTION AND OPERATION OF RENEWABLE GENERATION TO THE PORT OF STOCKTON ELECTRIC UTILITY SYSTEM

Resolution #8527: WHEREAS, the Stockton Port District (the “Port”) is a public corporation created for municipal purposes under Section 6290 of the California Harbors and Navigation Code; and

WHEREAS, the Port is generally subject to the legislative and regulatory requirements applicable to local publicly owned electric utilities (“POU”); and

WHEREAS, net energy metering allows customers to generate their own renewable energy such as solar and wind to serve their energy needs directly on site and to receive a financial credit on their electric bills for any surplus energy, thereby allowing customers to reduce their monthly electric bill; and

WHEREAS, Public Utilities Code Section 2827 requires publicly owned electric utilities to offer a standard Net Energy Metering (“NEM”) Tariff Schedule to customers that install renewable generation under one megawatt in capacity that does not exceed the customer’s annual usage and meets all the applicable safety and performance standards and program requirements (“Eligible Customer-Generators”); and

WHEREAS, the Port has an initial open enrollment up to 200 kilowatts (five (5) percent of the Port’s maximum coincident peak demand in the prior fiscal year – “NEM Capacity Value”) for Eligible Customer-Generators that have received an approved NEM Interconnection Agreement (NEM 1); and

WHEREAS, the Port’s NEM Capacity Value will be adjusted annually based upon five (5) percent of the Port’s maximum coincident peak demand over a five (5) year rolling average; and

WHEREAS, under NEM 1, during any billing cycle, if an Eligible Customer-Generator supplies the Port with more energy than the Eligible Customer-Generator consumes, the net energy produced will be carried forward in kilowatt-hours (“kWh”) on the electric portion of their bill and will be valued at the rate applicable at the time the energy was generated. At the end of each twelve-month period, the Eligible Customer-Generator can receive net surplus energy compensation for net surplus energy generated during the prior twelve-month period times the Net Surplus Compensation Rate (“NSCR”) set forth in NEM 1 Rate Schedule; and

WHEREAS, the NSCR will be adjusted September 1, of each year to reflect the Port’s prior fiscal year costs and will be posted on the Port’s website. The NSCR may include: (i) the Port’s annual applicable weighted average cost of energy purchased from the California Independent System Operator (CAISO); (ii) the Port’s annual weighted average CAISO Wheeling Access Charge; and (iii) value of renewable energy credits based on the Port’s most recently executed renewable power purchase contractual commitment of ten years or more; and

WHEREAS, once the NEM Capacity Value is reached or for systems larger than the NEM Capacity Value, any new Eligible Customer-Generator will be served using the Port's ERG Rate Schedule and the Port Interconnection and Eligible Renewable Generation Agreement ("ERG Agreement"); energy delivered from the Port to and consumed by ERG Customer will be measured by the "delivered" register on the electric meter; the monthly kWh delivered, and consumed electricity shall be billed monthly on the otherwise applicable rates; the renewable generation that is generated by ERG Customer and delivered to the electric grid will be measured by the "received" register on the electric meter; each month, the total quantity of renewable generation that is generated by and delivered to the electric grid is multiplied by the applicable ERG Rate Schedule, and that amount credited towards the monthly bill; if the amount credited to exceeds the total amount of the monthly bill, then that excess amount will be carried forward to next month's bill; and

WHEREAS, the ERG Rate Schedule will be adjusted September 1, of each year to reflect the Port's prior fiscal year costs and will be posted on the Port's website; the ERG Rate Schedule Rate may include: (i) the Port's annual applicable weighted average cost of energy purchased from the California Independent System Operator (CAISO); (ii) the Port's annual weighted average CAISO Wheeling Access Charge; and (iii) value of renewable energy credits based on the Port's most recently executed renewable power purchase contractual commitment of ten years or more; and

WHEREAS, the statutory requirements of Public Utilities Code Section 2827 require that the tariff made available to Eligible Customer-Generators is based on the just and reasonable compensation for the value of net surplus electricity, while leaving other rate payers unaffected; and the Port's NEM 1 and ERG Rate Schedules, described above, meet that requirement; and

WHEREAS, to meet the statutory requirements of Public Utilities Code Section 2827, the Schedule of Rates and Electric Service Rules should be revised to include a Net Energy Metering 1 Rate Schedule and ERG Rate Schedule, Net Energy Metering Agreement, ERG Agreement, Solar Interconnection Standards and Guidelines, and other related documents to be signed by the customer to assure all the applicable safety and performance standards and program requirements are met; and

WHEREAS, the Port provided the notification to the public by publishing notice of this hearing on September 26, 2023, and republished on October 3, 2023 and republished on September 11, 2024, in THE RECORD, a newspaper of general circulation adjudicated to publish legal advertisements for the Port of Stockton, and the public notice was posted at 315 W. Fyffe Avenue, Stockton, CA 95203 (Port Administration Building) and on the Port's Website; and

WHEREAS, this hearing was opened for comments from the public for the purpose of hearing arguments for and against adding new Renewable Electric Generation Schedules, Agreements and Standards/Guidelines; and

WHEREAS, based upon the Staff Report, testimony, and other evidence submitted at the public hearing on September 16, the Board of Port Commissioners hereby finds and determines that: the proposed revised charges and rates set forth in, attached hereto and incorporated herein by reference, reflect the Port's reasonable and prudent costs associated with operation of the Port and do not establish unfair, unreasonable, discriminatory or excessive rates that exceed the Port's reasonable costs of providing electricity services to its customers; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; now, therefore be it

RESOLVED, that the Board of Port Commissioners of the Stockton Port District hereby make a determination that all the facts set forth in the recitals above are true and correct, and are incorporated herein by reference; and

RESOLVED FURTHER, that the Board of Port Commissioners of the Stockton Port District hereby adopts the new Renewable Electric Generation Schedules, Agreements and Standards/Guidelines, attached hereto as Exhibit A, incorporated herein.

CONSIDERATION AND POSSIBLE AMENDMENT TO RESOLUTION #8522 ALLOWING FOR THE PURCHASE OF TEN (10) ELECTRIC VEHICLE CHARGERS FROM CONTRACTORS ELECTRICAL DISTRIBUTORS UTILIZING GRANT FUNDING OF $518,702.40 WHICH IS A SAVINGS OF $66,773.60 FROM PREVIOUS QUOTE FROM REXEL ENERGY SOLUTIONS

Resolution #8528: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to amend Resolution #8522 allowing for the purchase of ten (10) Electric Vehicle Chargers from Contractors Electrical Distributors utilizing grant funding for an amount not-to-exceed $518,702.40 (Five Hundred Eighteen Thousand Seven Hundred Two and 40/100 Dollars) which is a savings of $66,773.60 from the previous quote provided by Rexel Energy Solutions; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

CONSIDERATION AND POSSIBLE APPROVAL FOR THE PORT DIRECTOR TO EXECUTE A MASTER PROFESSIONAL SERVICE AGREEMENT WITH DILLION & MURPHY CONSULTING CIVIL ENGINEERS FOR ENGINEERING AND DESIGN SERVICES FOR THE DOCK 2, 5 AND 10 MARINE TERMINAL RESTROOM PROJECT FOR AN AMOUNT NOT-TO-EXCEED $75,000.00 AND A ONE YEAR TERM

Resolution #8529: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to execute a Master Professional Service Agreement (MPSA) with Dillion & Murphy Consulting Civil Engineers for Engineering and Design Services for the Dock 2, 5 and 10 Marine Terminal Restroom Project for an amount not-to-exceed $75,000.00 (Seventy-Five Thousand and no/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

CONSIDERATION AND POSSIBLE APPROVAL FOR THE PORT DIRECTOR TO AWARD A MASTER PROFESSIONAL SERVICE AGREEMENT WITH HCS ENGINEERING, INC. FOR ENGINEERING SUPPORT AND DESIGN SERVICES FOR THE 315 FYFFE AVENUE REHABILITATION PROJECT FOR AN AMOUNT NOT-TO-EXCEED $48,000.00

Resolution #8530: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to award a Master Professional Service Agreement (MPSA) with HCS Engineering, Inc. for Engineering Support and Design Services for the 315 Fyffe Avenue Rehabilitation Project for an amount not-to-exceed $48,000.00 (Forty-Eight Thousand and no/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO ADOPT A FINDING CONTINUING THE JULY 15, 2024 EMERGENCY DECLARATION AND UPDATE

Resolution #8531: RESOLVED, that the Board of Commissioners of the Stockton Port District that an emergency situation still exists that demanded the immediate expenditure of public funds, and that the emergency would not permit a delay resulting from a competitive solicitation for bids and that the action was necessary to respond to the Flooded Port Administration Building Emergency; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

CONSIDERATION AND POSSIBLE APPROVAL TO AMEND THE FISCAL YEAR 2024-2029 CAPITAL IMPROVEMENT PLAN FOR SPECIAL PROJECTS SP2025-01 TO ADMINISTRATION BUILDING EMERGENCY REPAIR TO $1,000,000 AND SP2021-07 TO BUILDING 315 RENOVATION TO $2,000,000

Resolution #8532: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to amend the Fiscal Year 2024 – 2029 Capital Improvement Plan for Special Projects: SP2025-01 Administration Building Emergency Repair to $1,000,000.00 and SP2021-07 Building 315 Renovation to $2,000,000.00; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolutions #8525, #8526, #8527, #8528, #8529, #8530, #8531 and #8532 were passed by the following vote:

COMMISSIONERS IN FAVOR:	Atwater, Barkett, Duffy, Griffen, Stephens, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Sawyer

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

Chairman Trezza acknowledged that there were no items removed from the Consent Calendar.

COMMITTEE REPORTS

Ad Hoc Committee for the Port's Strategic Plan
On September 16 2024, an Ad Hoc Committee comprised of Commissioners Atwater, Barkett and Stephens met with Port Director DeJesus and Port staff to discuss the development of the Port's Strategic Plan.

PORT DIRECTOR'S COMMENTS

- Port Director DeJesus shared that the Port will be hosting its 1st Annual Golf Tournament at Stockton Golf and Country Club on Monday, September 23, 2024. He also shared that the tournament is Sold Out. Proceeds from the golf tournament will benefit the Boggs Tract Community Center and Washington Elementary.

- Port Director DeJesus shared that Coastal Clean-up Day was Saturday, September 14, and that there was a great turn-out. The area cleaned was in the Boggs Tract Neighborhood.

- Port Director DeJesus shared that Jason Cashman was recently promoted to Director of Environmental Affairs.

- Port Director DeJesus shared that Sylvester Aguilar, Port Real Estate Manager will be receiving the Amigo of the Year Award from El Concilio on October 25.

COMMISSION COMMENTS

Commissioner Duffy shared that Coastal Clean-up was a great event on Saturday. Multiple community groups were involved and it was a good opportunity to talk with them about the Port.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Chairman Trezza acknowledged the emailed comments from Mary Elizabeth and Julie Dunning that were read by Secretary Rodriguez related to GSNR.

CLOSED SESSION PURSUANT TO GOVERNMENT CODE §54957.6 DISCUSSION OF PERSONNEL MATTER: ANNUAL PERFORMANCE REVIEW OF THE PORT DIRECTOR

At 3:41 p.m. Chairman Trezza announced that, in accordance with the Ralph M. Brown Act, an executive session would be conducted by the Board of Commissioners pursuant to Government Code §54957.6. The general public and other Port staff was excused from the meeting, and the closed session commenced at 3:43 p.m. Port Director DeJesus and Deputy Port Director Miller each remained for a portion of the executive session.

At 6:09 p.m., Chairman Trezza re-opened the meeting in public session. He reported that the Port Commission took no formal, reportable action during the Closed Session.

CONSIDERATION AND POSSIBLE ACTION REGARDING AWARDING A PERFORMANCE INCENTIVE TO THE PORT DIRECTOR

Chairman Trezza acknowledged that there were no requests to address the Commission.

Commissioner Duffy moved to adopt the following resolution:

Resolution #8533: WHEREAS, on September 16, 2024, the Port Commission completed a performance evaluation of Port Director Kirk DeJesus; now, therefore be it

RESOLVED, by the Board of Commissioners of the Stockton Port District that Port Director Kirk DeJesus be awarded a performance incentive of $70,000.00 (Seventy Thousand and no/100 dollars) in recognition of his performance and leadership in the last evaluation period.

Resolution #8533 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Atwater, Barkett, Duffy, Griffen, Sawyer, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	None

ADJOURNMENT

On behalf of the Stockton Port District Board of Commissioners, it was announced by Chairman Trezza that today's Commission meeting would be adjourned in memory of Albert "Al" Reft Jr.

Albert "Al" Reft Jr. retired Port of Stockton Maritime Accounts Supervisor. Al was born in Ouzinkie, Alaska on August 22, 1946 and passed away in Stockton, on August 25, 2024 at the age of 78. Al started at the Port in November 1979, as a Terminal Trainee. In January 1980, he became a Management Trainee. In July 1982 he left for 11 months, but came back in June 1983 as a Warehouse Coordinator. From there he worked his way to Account Supervisor which he retired from in August 2006. He missed the Port so much that he came back in 2010 as the part-time Messenger Clerk for 10 years till January 2020. He worked for the Port for over 31 years. Al always had a smile on his face and kind words for all. Prior to working for the Port Al served in the U.S. Air Force. Al was an avid bowler a passion that he shared with his son and granddaughters. Al and his family shared many happy bowling memories. One of Al's favorite things was to talk about his beloved granddaughters the light of his life. Al was proceed by his beloved wife, he is survived by his loving son Shaun, daughter-in-law Maya and his cherished granddaughters Isabella and Madeline.

On behalf of the Commissioners, Port Director and staff, sincere sympathy and condolences are extended to the family of Albert "Al" Reft Jr.

There being no further business to discuss, the meeting was adjourned at 6:12 p.m. by Chairman Trezza.

____

Melanie Rodriguez
Secretary to the Board

____

Chairman William R. Trezza